# The Bipartisan Infrastructure Law: Funding Opportunities for State and Local Governments

February 2022



## <u>Funding Opportunities for State and Local Governments via the Bipartisan</u> <u>Infrastructure Law</u>

On November 15, 2021, President Biden signed into law the bipartisan *Infrastructure Investment* and *Jobs Act (IIJA)*, a bold, long-term investment in the nation's infrastructure that creates well-paying jobs and keeps Washingtonians and the economy moving.

My staff and I are ready to help you navigate the process of applying for funds. Although much of the IIJA investment consists of simple increases in formula funding administered by the Washington State Department of Transportation (WSDOT), local governments and tribal entities can also apply directly for new and existing competitive grant programs.



Rep. Larsen joins Rep. Suzan DelBene (WA-01), Burlington Mayor Steve Sexton, Mount Vernon Mayor Jill Boudreau and WSDOT Deputy Secretary Amy Scarton at the Trooper Sean M. O'Connell Jr. Memorial Bridge to announce federal bridge formula funding on January 25, 2022.



### **Transportation Funding Opportunities**

- 1. Rebuilding American Infrastructure Sustainably and Equitably (RAISE) Grants The IIJA adds \$7.5 billion to this existing U.S. Department of Transportation (USDOT) competitive grant program, subject to Congressional approval for road, rail, transit and other surface transportation infrastructure. Selection criteria are based on principles of safety, sustainability, equity, economic competitiveness, mobility and community connectivity. Applications are open and the deadline to submit to USDOT is April 14, 2022, at 2:00 PM PT. You can view the Notice of Funding Opportunity <a href="here">here</a> and apply <a href="here">here</a>.
- 2. Port Infrastructure Development Program Grants This existing \$2 billion USDOT program invests in the modernization and expansion of U.S. ports to remove supply chain bottlenecks and ensure long-term competitiveness, resilience and sustainability while reducing impacts to the environment and neighboring communities. The IIJA expanded program eligibility to include projects that improve the movement of goods, boost electricity and charging infrastructure at ports, reduce idling reduction solutions, and train more workers. USDOT expects to open applications in February 2022.
- 3. Bus & Bus Facilities Competitive Grants This existing \$2 billion USDOT program provides capital funding to replace, rehabilitate, purchase or lease buses and related infrastructure and to rehabilitate, purchase, construct or lease bus-related facilities--as well as capital funding for low or no emission bus projects. USDOT will announce Fiscal Year (FY) 2021 grant selections soon. Applications are expected to open for the FY 2022 grant program in the first quarter of calendar year (CY) 2022.
- 4. National Infrastructure Project Assistance (also known as "Megaprojects" or MEGA) This \$5 billion competitive grant program supports multimodal, multijurisdictional projects of regional or national significance. Communities are eligible to apply for funding to complete large critical projects that would otherwise be unachievable without assistance. USDOT will post selection criteria on the Department of Transportation website in February 2022.
- 5. <u>Infrastructure for Rebuilding America (INFRA) Grants</u> This USDOT program supports highway and rail projects of regional and economic significance. Applications will open in the first quarter of CY 2022. Learn more about how to apply here.
- 6. Safe Streets and Roads for All This new \$6 billion USDOT competitive grant program provides funding directly to and exclusively for local governments to support their efforts to advance "vision zero" plans and other complete street improvements to reduce crashes and fatalities, especially those involving cyclists and pedestrians.

  Applications are expected to open in May 2022.
- 7. **Charging and Fueling Infrastructure Grants** In addition to the \$5 billion formula program distributed to states, this \$2.5 billion USDOT discretionary grant program funds the strategic deployment of publicly accessible electric vehicle (EV) charging infrastructure. It also includes hydrogen, propane and natural gas fueling



- infrastructure in communities and along designated alternative fuel corridors. **USDOT** seeks comments on program design <a href="here.">here.</a>
- 8. Clean School Bus Program This new \$5 billion Environmental Protection Agency (EPA) competitive grant program funds replacement of existing school buses with low-or zero-emission school buses. EPA will make funding applications available <a href="here">here</a> later this spring.
- 9. **Reconnecting Communities** The IIJA creates a new \$1 billion USDOT program to reconnect communities divided by transportation infrastructure, particularly historically disadvantaged communities divided by highways. This new competitive initiative provides dedicated funding to state, local and tribal governments and metropolitan planning organizations to plan, design, demolish and reconstruct street grids, parks or other infrastructure to address these legacy harms. **Applications will open in the second quarter of CY 2022.**
- 10. **Rural Surface Transportation Grant -** This new \$2 billion USDOT competitive grant program improves and expands surface transportation infrastructure in rural areas to increase connectivity and improve safety of people and freight. These funds include specific set-asides for small projects (\$200 million) and rural roadway lane departure improvements (\$300 million). **Applications will open in the first quarter of CY 2022.**

#### Climate, Energy & Environment Funding Opportunities

- 11. <u>Building Resilient Infrastructure and Communities Program</u> This existing Federal Emergency Management Agency (FEMA) program distributes \$1 billion to support communities undertaking hazard mitigation projects to reduce the risks from disasters and other natural hazards. FY 2021 applications closed on **January 28, 2022**, and hundreds of millions of dollars in funding remain available. Communities will apply as sub-applicants under their states. **Applications for FY 2022 are expected to open no later than September 30, 2022.**
- 12. Flood Mitigation Assistance This existing FEMA program includes \$3.5 billion for projects that reduce or eliminate the risk of repetitive flood damage to buildings insured by the National Flood Insurance Program. FY 2021 applications are closed on January 28, 2022. After that, communities will apply as sub-applicants under their states. Applications for FY 2022 are expected to open no later than September 30th, 2022.
- 13. <u>Brownfields Remediation Program</u> This existing EPA program provides \$1.2 billion in grants and technical assistance to communities to assess and safely clean up contaminated properties and offer job training programs. Communities can now request funding for Targeted Brownfields Assessments through their regional EPA office. **The EPA will announce additional competitive funding opportunities this spring.**
- 14. Energy Efficiency and Conservation Block Grants This Department of Energy (DOE) block grant program provides \$550 million to states, local governments and Tribes for projects that reduce energy use, increase energy efficiency and cut pollution.

  The first funding opportunity is expected for release in fall 2022.



- 15. Grants for Energy Efficiency and Renewable Energy Improvements in Schools This new DOE program provides \$500 million for local education agencies and nonprofit partners to make energy efficiency, renewable energy and clean vehicle upgrades and improvements at public schools. The opportunity to apply for funding is expected to be open in fall 2022.
- 16. **Energy Improvement in Rural or Remote Areas** This new DOE program provides \$1 billion to entities in rural or remote areas (defined as cities, towns, or unincorporated areas with fewer than 10,000 inhabitants) to increase environmental protection from the impacts of energy use and improve resilience, reliability, safety and availability of energy. **Funding applications are expected to open in fall 2022.**
- 17. Grants for Energy Efficiency and Resilience Code Adoption This DOE program provides \$225 million to state energy agencies, in partnership with local building code agencies, codes and standards developers, utilities and other entities, to enable sustained, cost-effective implementation of updated building energy codes to save customers money on their energy bills. Funding applications are expected to open by the end of CY 2022.
- 18. **Regional Clean Hydrogen Hubs** This new DOE program provides \$8 billion to support the development of at least four regional clean hydrogen hubs to improve clean hydrogen production, processing, delivery, storage and end-use. **Funding applications will open in summer 2022.**
- 19. Community Wildfire Defense Grant Program This new \$1 billion Department of Agriculture (USDA) program provides grants to communities at risk from wildfire to develop or revise their community wildfire protection plans and carry out projects described within those plans. The initiative includes a mix of formula and competitive funds. Applications are expected to open early in CY 2023.

# **Broadband, Cyber & Other Funding Opportunities**

- 20. <u>ReConnect Program</u> This existing USDA program provides nearly \$2 billion in loans and grants for projects that provide broadband in rural areas. Towns in rural areas are eligible for \$1.15 billion in funding and must apply by February 22, 2022. For all other communities, applications will likely open in the third quarter of CY 2022.
- 21. Middle Mile Grants Program This new \$1 billion Department of Commerce program provides grants for the construction, improvement or acquisition of middle-mile broadband infrastructure. Applications will likely open during the second quarter of CY 2022.
- 22. State and Local Cybersecurity Grant Program This new \$1 billion Department of Homeland Security program makes available federal funds to state, local and tribal governments to address cybersecurity risks and cybersecurity threats to information systems they own or operate. Applications will likely open during the third quarter of 2022.



- 23. Smart Grid Investment Grant Program and Energy Sector Operational Support for Cyber Resilience Program These two DOE programs provide \$3 billion and \$50 million, respectively, for electric utilities, including municipal and cooperative utilities, to modernize the electricity grid and increase resilience to cybersecurity threats.

  Applications for the Smart Grid program are expected to open by the end of 2022 and applications for the Cyber Resilience program are expected to open in the Summer of 2022.
- 24. Water & Groundwater Storage and Conveyance This existing \$1 billion Department of Interior program provides funding for water storage projects with a capacity between 2,000 and 30,000 acre-feet and projects that convey water to or from surface water or groundwater storage. The Department will hold its final stakeholder sessions this month and open applications later this spring.
- 25. <u>Emergency Watershed Protection Program</u> This existing USDA program provides \$300 million in technical and financial assistance to project sponsors to design and construct measures to help repair damages from a recent disaster. **Applications open in February 2022.**



## **Additional Funding Opportunities**

The IIJA significantly increased the amount of non-competitive formula funding that will flow first to states and then to cities and local governments. Examples include funding available through Surface Transportation Block Grant sub-allocations for local governments, which now include significantly expanded flexibilities for cities to determine how these funds can be used. They also include increases for states' Clean Water and Drinking Water State Revolving Funds. If you are interested in these opportunities, I encourage you to reach out to the state liaison at each federal agency responsible for administering the opportunities. My staff and I are here to help if you need a point of contact in those offices.

#### Preparing to Apply For & Receive Federal Infrastructure Funds

While I am still waiting on USDOT and other agencies to release guidance and announcements about various funds, cities can begin to coordinate across their departments and with metropolitan planning organizations (MPOs) and regional transportation planning organizations (RTPOs) to:

- 1. Prioritize your community's capital needs and develop a project pipeline. Think about projects that were previously considered infeasible due to lack of funding or regional coordination.
- 2. Ensure all transit, railway, road, highway and bridge projects are a part of your MPO's/RTPO's Transportation Improvement Plan.
- 3. Map sites for electric vehicle and alternative fuel-charging stations in your community.
- 4. Inventory and map lead pipes in your community.
- 5. Ensure your community's broadband needs are appropriately mapped and inventoried.
- 6. Build relationships with regional offices for critical federal agencies that can steer your community to current resources and provide technical assistance.

Local communities should leverage resources from the American Rescue Plan and other COVID relief packages to prepare for the IIJA's transformative investments.

#### My Staff and I Are Ready to Help You

My office can help constituents locate grants and submit letters in support of projects.

If you identify a grant you would like to apply for, and you would like my office to provide a letter of support, please provide the name, address and a brief historical summary of your entity and an outline of what you would like to utilize the grant for once you receive funding.

If you need assistance in locating a grant, a point of contact at the federal agency offering a particular grant or obtaining a letter of support, contact my office at (425) 252-3188.

